

REMARKS

Claims 169-187, 189-190, 192-201, 221-224, 234-248, 250-257, 268-272, 277-285, 301-305, 312-314, 317-319, and 322-329 are pending in the application. Reconsideration of the claims in view of the following remarks is respectfully requested.

I. Provisional Obviousness-Type Double Patenting Rejections

To obviate the pending provisional obviousness-type double patenting rejections, the Applicants are filing herewith a terminal disclaimer with respect to Application Nos. 09/541,170, 09/542,487 and 09/607,019.

II. 35 U.S.C § 112, Second Paragraph, Rejection

Claims 169 and 178 were rejected under 35 U.S.C § 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter and refers specifically to the following passage: “wherein the halting is performed such that the flagged bill is positioned as the last bill in one of the output receptacles.” The Office Action then states that “[i]f there is more than one flagged bill, then which one becomes placed as the last bill in the output receptacle.” The Applicants believe that the claimed language is not indefinite in that it is clear that at the time the halting is performed, the flagged bill is positioned as the last bill in one of the output receptacles.

For example, the Applicants can envision a scenario where a first flagged bill (bill #1) is halted and positioned as the last bill in one of the output receptacles. After transporting is resumed, if another bill is later flagged (bill #2), then, the transporting may be halted again and the second flagged bill #2 may be positioned as the last bill in one of the output receptacles. Such a scenario would be consistent with and understandable by the phrase “wherein the halting is performed such that the flagged bill is positioned as the last bill in one of the output receptacles.” Thus, the Applicants respectfully request that this rejection be withdrawn.

35 U.S.C. § 103(a) Rejection

Independent Claims 169, 178-180, 189, 190 and 192

Independent claims 169, 178-180, 189, 190 and 192 recite, *inter alia*, “wherein the halting is performed such that the flagged bill is positioned as the last bill in one of the output

receptacles” Japanese Patent Publication 61-14557 to Hatanaka et al. (“JP 14557”) does not teach or suggest halting being performed such that the flagged bill is positioned as the last bill in one of the output receptacles.

Rather, Applicants believe that JP 14557 discloses a currency discriminator having two destinations for document processing. For example, JP 14557 discloses the following:

The control circuit also has a wrong denomination paper currency discharge unit 123. If a mismatch is indicated by the collation signals RF from the denomination collation unit 114, the detected note of paper currency is not conveyed to the paper currency collection unit 23 but may be discharged from a discharge slot.

Page 7, lines 23-26. Accordingly, the wrong denomination paper currency discharge unit 123 is capable of routing bills to a discharge slot instead of the paper currency collection unit 23.

JP 14557, however, is silent on any further details regarding the bills being routed to the discharge slot. JP 14557 certainly does not teach or suggest that “[t]he erroneous bill is discharged as the last bill transported before the device is shut down” as stated in the Office Action at page 4.

The statement in the Office Action at pages 4-5: “[n]ote also that it would have been obvious for one ordinarily skilled in the art to direct such a bill to any discharge, for example, the discharge where counted bills had been collected, thus making the erroneous bill the last bill on the pile of bills, the counted bills being below the erroneous statement” is conclusory and clearly made with impermissible hindsight. The Applicants respectfully disagree with this assertion and request that the Examiner cite to a prior art reference that allegedly supports such a statement so that the Applicants can evaluate the same and respond accordingly. *See* MPEP 2145.03.

Therefore, independent claims 169, 178-180, 189, 190, and 192 are not obvious over JP 14557 and should be in a condition for allowance. Claims 170-177, 181-187 and 193-201, which depend on either 169, 180 or 192 are not obvious over JP 14557 for at least the same reasons and should be allowable.

Independent Claim 221

Independent claim 221 recites, *inter alia*, “counting and determining the denomination of the bills including United States bills of a plurality of denominations at a rate of at least 800 bills per minute”, “determining whether a bill is a suspect bill, wherein one of the certain criteria is a

bill being a suspect bill and wherein suspect bills are flagged”, and “further directing stranger bills and no call bills to a first set of one or more of the output receptacles and directing suspect bills to a second set of one or more of the output receptacles, the output receptacles of the second set being different from the output receptacles of the first set.” JP 14557 does not teach or suggest such limitations.

The Office Action appears to acknowledge that JP 14557 does not teach or suggest “counting and determining the denomination of the bills including United States bills of a plurality of denominations at a rate of at least 800 bills per minute”. See page 6 of the Office Action. In particular, JP 14557 does not disclose counting or denominating U.S. bills. Rather, JP 14557 discloses counting and denominating Japanese yen. See, e.g., page 8 of JP 14557. Additionally, JP 14557 does not disclose any type of bill being counted and denominated at a rate of at least 800 bills per minute.

A. Combination of JP 14557 and Winkler and/or McNerny is Improper

The Office Action states that “it would have been obvious to provide a transportation rate of 800 bills per minute.” After referring to 5,394,992 to Winkler (“Winkler”) and U.S. Patent No. 5,761,089 to McNerny (“McNerny”), the Office Action concludes that “it would have been obvious to one of ordinary skill in the art to create a bill counting machine with a document speed of 800 bills per minute, as the particular situation would require, or simply to make the machine count bills at a faster, more economical rate.” Page 6 of the Office Action. The Applicants respectfully disagree. The Applicants also note that the claims require counting and denominating at 800 bills per minute, not just transporting at such a rate.

The Applicants are unsure if the Office Action has applied JP 14557 with Winkler and/or McNerny. To the extent that Winkler and/or McNerny has not been applied, the Applicants respectfully request that the Examiner apply a reference so that the Applicants can respond accordingly. The Applicants will respond to the Office Action assuming that these combinations have been applied. The combinations applied in the Office Action of JP 14557 with Winkler and/or McNerny are improper for several reasons as discussed below.

i. Combination of JP 14557 and Winkler is Improper

First, Winkler does not disclose “counting and determining the denomination of the bills including United States bills of a plurality of denominations at a rate of at least 800 bills per

minute.” Rather, Winkler generally discloses speeds associated with its document sorter at col. 5, line 53 - col. 6, lines 14. These speed disclosures, however, are not equated with counting and denominating U.S. bills as required in the claims. Thus, one of ordinary skill in the art would not look to the speed disclosures of Winkler, which have nothing to do with counting and denominating U.S. bills, and combine it with JP 14557 to provide “counting and determining the denomination of the bills including United States bills of a plurality of denominations at a rate of at least 800 bills per minute.” It is clear that the Office Action is using impermissible hindsight to combine these references. Obviousness cannot “be established using hindsight or in view of the teachings or suggestions of the invention.” *See, e.g., Para-Ordnance Mfg. Inc. v. SGS Importers Int’l Inc.*, 73 F.3d 1085, 1087, 37 U.S.P.Q.2d 1237, 1239 (Fed. Cir. 1995), *cert denied*, 519 U.S. 822 (1996)).

Additionally, assuming *arguendo*, that there is a motivation to combine JP 14557 and Winkler (which we believe is not the case), the Office Action has not provided any information on how one of ordinary skill in the art would combine these references having, for example, different transportation paths and different locations for its output destinations. Moreover, there is no teaching or suggestion that some combination of JP 14557 and Winkler would actually operate and that the acts of “counting and determining the denomination...800 bills per minute” would be performed.

ii. Combination of JP 14557 and McNerny is Improper

McNerny also does not disclose “counting and determining the denomination of the bills including United States bills of a plurality of denominations at a rate of at least 800 bills per minute”. McNerny discloses a counterfeit document detection apparatus that includes only one output receptacle. *See* FIGs. 1 and 2a, and col. 3, line 58-col. 4, line 3. The apparatus of McNerny does not denominate bills, but rather is a document counting and handling device that can count, verify and stack a particular type of document, such as currency of the same denomination. *See* generally col. 1, lines 18-20; col. 2, lines 3-7 and 34-40; col. 3, lines 58-63 and col. 11, line 65 to col. 12, line 43. In fact, McNerny discloses the opposite in that the user enters the denomination of the particular bill that is being counted in the batch (“[t]he DENOM SELECT key is used during step 226 of the control procedure to cycle through a list or menu to select that the denomination of bills to be counted in a particular run or to specify a piece count

without regard to denomination”). Col. 18, lines 12-16 of McNerny. Thus, one of ordinary skill in the art would not look to McNerny, which has nothing to do with counting and denominating U.S. bills, and combine it with JP 14557 to provide “counting and determining the denomination of the bills including United States bills of a plurality of denominations at a rate of at least 800 bills per minute.”

Furthermore, there is also no motivation for one of ordinary skill in the art to combine JP 14557 with McNerny. As discussed above, McNerny does not teach or suggest, *inter alia*, (a) two or more output receptacles and (b) determining the denomination of the bills. Documents counters (e.g., McNerny) and denominators (e.g., JP 14557) are two different types of machines. It is clear that the Office Action is using impermissible hindsight to combine these different kind of machines. Obviousness cannot “be established using hindsight or in view of the teachings or suggestions of the invention.”

Additionally, assuming *arguendo*, that there is a motivation to combine JP 14557 and McNerny (which we believe is not the case), the Office Action has not provided any information on how one of ordinary skill in the art would combine these references.

B. JP 14557 Does Not Disclose Flagging Suspect Bills

Additionally, JP 14557 does not disclose flagging suspect bills, let alone “further directing stranger bills and no call bills to a first set of one or more of the output receptacles and directing suspect bills to a second set of one or more of the output receptacles, the output receptacles of the second set being different from the output receptacles of the first set” as recited in claim 221. The Office Action mistakenly defines the term suspect bill used in the claims, which apparently resulted in the erroneous conclusion that JP 14557 discloses flagging suspect bills.

Specifically, at page 5, section (i) of the Office Action, the term “suspect bill” is recited and Applicants’ definition of a suspect bill is said to be located at page 30, lines 18-24 of the present application. This is incorrect, the Applicants define the term “suspect bill” at page 30, lines 6-7 as “a note that fails one or more authentication tests based on a variety of monitored parameters.” The definition at page 30, lines 18-24 of the present application is for a “stranger” bill and, thus, a “wrong denomination” is not a “suspect bill”.

Therefore, independent claim 221 is not obvious over JP 14557, Winkler, McNerny, or any combination thereof and should be in a condition for allowance. Claims 222-224, which depend directly on claim 221, are not obvious over JP 14557, Winkler, McNerny, or any combination thereof for at least the same reasons and should be allowable.

Independent Claim 234

Independent claim 234 recites, *inter alia*, “counting and determining the denomination of the bills including United States bills of a plurality of denominations at a rate of at least 800 bills per minute utilizing a detector positioned along a transport path between the input receptacle and the output receptacles”, “wherein the halting occurs with a no call bill being located at a predetermined position” and “further including delivering bills meeting the certain criteria of having their denomination determined to a first set of one or more of the output receptacles and directing no call bills to a second set of one or more of the output receptacles, the output receptacles of the second set being different from the output receptacles of the first set.” JP 14557 does not teach or suggest such limitations.

As discussed above with respect to claim 221, JP 14557, Winkler, McNerny, or any combination thereof does not teach or suggest “counting and determining the denomination of the bills including United States bills of a plurality of denominations at a rate of at least 800 bills per minute utilizing a detector positioned along a transport path between the input receptacle and the output receptacles.”

JP 14557 does not teach or suggest “wherein the halting occurs with a no call bill being located at a predetermined position” and “further including delivering bills meeting the certain criteria of having their denomination determined to a first set of one or more of the output receptacles and directing no call bills to a second set of one or more of the output receptacles, the output receptacles of the second set being different from the output receptacles of the first set.” Rather, JP 14557 discloses that its conveyor drive unit 120 is stopped when a no-denomination detection signal is outputted and provides no further details on the halting of the conveyer drive unit or the location of the no-call bill, let alone directing no call bills to a second set of output receptacles. *See, generally*, page 8 of JP 14557.

Additionally, it is noted that JP 14557 does not appear to disclose a no call output receptacle and the details set forth at paragraphs p-x at pages 7-9 of the Office Action. Specifically, JP 14557 does not appear to disclose the following: (a) “the second set of output receptacles includes a receptacle designated as a no call output receptacle”; (b) “halting occurs after a no call bill has been delivered to the no call output receptacle”; (c) “halting occurs with the no call bill being positioned at an identifiable location in the no call receptacle”; (d) “the halting occurs with the no call bill being the last bill transported to the no call output receptacle”; (e) “halting occurs before a no call bill has been delivered to the no call output receptacle”; (f) “halting occurs with the no call bill being located at an identifiable location within the transport path”; (g) “the halting occurs after the no call bill has been delivered to an output receptacle of the second set”; (h) “the halting occurs with the no call bill being positioned at an identifiable location in an output receptacle of the second set”; and (i) “halting does not occur after a no call bill or a stranger bill has been delivered to an output receptacle of the second set.”

Therefore, independent claim 234 is not obvious over JP 14557, Winkler, McNerny, or any combination thereof and should be in a condition for allowance. Claims 235-238, which depend either directly or indirectly on claim 234, are not obvious over JP 14557, Winkler, McNerny, or any combination thereof for at least the same reasons and should be allowable.

Independent Claims 239

Independent claim 239 recites, *inter alia*, “counting and determining the denomination of the bills including United States bills of a plurality of denominations at a rate of at least 800 bills per minute utilizing a detector positioned along a transport path between the input receptacle and the output receptacles” and “further including determining whether bills are suspect bills and wherein the halting occurs when a bill meets a criterion of being determined to be a suspect bill.” For the same reasons as discussed above with respect to claim 221, JP 14557, Winkler, McNerny, or any combination thereof does not teach or suggest such limitations.

Therefore, independent claim 239 is not obvious over JP 14557, Winkler, McNerny, or any combination thereof and should be in a condition for allowance. Claims 240-248, which depend either directly or indirectly on claim 239, are not obvious over JP 14557, Winkler, McNerny, or any combination thereof for at least the same reasons and should be allowable.

Independent Claims 250

Independent claim 250 recites, *inter alia*, “counting and determining the denomination of the bills including United States bills of a plurality of denominations at a rate of at least 800 bills per minute utilizing a detector positioned along a transport path between the input receptacle and the output receptacles” and “wherein the halting occurs when a bill meets a second criterion of being determined to be a suspect bill.” For the same reasons as discussed above with respect to claim 221, JP 14557, Winkler, McNerny, or any combination thereof does not teach or suggest such limitations.

Therefore, independent claim 250 is not obvious over JP 14557, Winkler, McNerny, or any combination thereof and should be in a condition for allowance. Claims 251-254, which depend either directly or indirectly on claim 250, are not obvious over JP 14557, Winkler, McNerny, or any combination thereof for at least the same reasons and should be allowable.

Independent Claims 255

Independent claim 255 recites, *inter alia*, “counting and determining the denomination of the bills including United States bills of a plurality of denominations at a rate of at least 800 bills per minute utilizing a detector positioned along a transport path between the input receptacle and the output receptacles.” As discussed above with respect to claim 221, JP 14557, Winkler, McNerny, or any combination thereof does not teach or suggest such a limitation.

Therefore, independent claim 255 is not obvious over JP 14557, Winkler, McNerny, or any combination thereof and should be in a condition for allowance. Claims 256 and 257, which depend directly on claim 255, are not obvious over JP 14557, Winkler, McNerny, or any combination thereof for at least the same reasons and should be allowable.

Independent Claims 268

Independent claim 268 recites, *inter alia*, “flagging a bill that has been determined to be suspect”, and “wherein the flagging comprises halting the transport mechanism when a bill is determined to be suspect.” As discussed above with respect to claim 221, JP 14557 does not teach or suggest such limitations.

Therefore, independent claim 268 is not obvious over JP 14557, Winkler, McInerny, or any combination thereof and should be in a condition for allowance. Claims 269-272, which depend directly on claim 268, are not obvious over JP 14557, Winkler, McInerny, or any combination thereof for at least the same reasons and should be allowable.

Independent Claims 277

Independent claim 277 recites, *inter alia*, “counting and determining the denomination of the bills including United States bills of a plurality of denominations at a rate of at least 800 bills per minute utilizing a detector positioned along a transport path between the input receptacle and the output receptacles”, and “wherein the flagging comprises halting the transporting with a flagged bill that meets or fails to meet at least a given set of the criteria positioned in one of the output receptacles; wherein the certain criteria include the denomination of a bill, a bill failing to meet a criterion of having its denomination determined being termed a no call bill.” As discussed above with respect to claims 221 and 234, JP 14557, Winkler, McInerny, or any combination thereof does not teach or suggest such limitations.

Therefore, independent claim 277 is not obvious over JP 14557, Winkler, McInerny, or any combination thereof and should be in a condition for allowance. Claims 278-283, which depend directly on claim 277, are not obvious over JP 14557, Winkler, McInerny, or any combination thereof for at least the same reasons and should be allowable.

Independent Claims 284

Independent claim 284 recites, *inter alia*, “counting and determining the denomination of the bills including United States bills of a plurality of denominations at a rate of at least 800 bills per minute utilizing a detector positioned along a transport path between the input receptacle and the output receptacles”, and a “third output receptacle.” Furthermore, the Office Action has not cited any reference with respect to the following statement on page 6 of the Office Action “it would have been obvious to provide as many outputs as one would require to handle the volume of bills expected to be counted, as one ordinarily skilled in the art would consider that overflow amounts of counted bills might require handling by the machine.” The Applicants respectfully

request that the Examiner cite a reference in support of this statement. Otherwise, the Applicants cannot further evaluate this statement and respond accordingly.

As discussed above with respect to claim 221, JP 14557, Winkler, McNerny, or any combination thereof does not teach or suggest such limitations. Therefore, independent claim 284 is not obvious over JP 14557, Winkler, McNerny, or any combination thereof and should be in a condition for allowance.

Independent Claims 285

Independent claim 285 recites, *inter alia*, “counting and determining the denomination of the bills including United States bills of a plurality of denominations at a rate of at least 800 bills per minute utilizing a detector positioned along a transport path between the input receptacle and the output receptacles.” As discussed above with respect to claim 221, JP 14557, Winkler, McNerny, or any combination thereof does not teach or suggest such a limitation. Therefore, independent claim 285 is not obvious over JP 14557, Winkler, McNerny, or any combination thereof and should be in a condition for allowance.

Independent Claim 301

Independent claim 301 recites, *inter alia*, “generating a suspect signal when a bill is determined to be suspect”, “generating a stopping signal in response to the suspect signal”, and “stopping a transport drive motor in response to the stopping signal.” As discussed above with respect to claim 221, JP 14557 does not teach or suggest such limitations.

Therefore, independent claim 301 is not obvious over JP 14557, Winkler, McNerny, or any combination thereof and should be in a condition for allowance. Claims 302-305, which depend directly on claim 301, are not obvious over JP 14557, Winkler, McNerny, or any combination thereof for at least the same reasons and should be allowable.

Independent Claim 312

Independent claim 312 recites, *inter alia*, “wherein the halting occurs with the bill meeting the stranger bill or non call bill criterion being positioned in one of the output

receptacles.” As discussed above with respect to claim 234, JP 14557 does not teach or suggest such a limitation.

Therefore, independent claim 312 is not obvious over JP 14557, Winkler, McNerny, or any combination thereof and should be in a condition for allowance. Claim 313, which depends directly on claim 312, is not obvious over JP 14557, Winkler, McNerny, or any combination thereof for at least the same reasons and should be allowable.

Independent Claim 314

Independent claim 314 recites, *inter alia*, “wherein the halting occurs with the bill meeting the stranger bill or no call bill criterion being located at a predetermined position.” As discussed above with respect to claim 234, JP 14557 does not teach or suggest such a limitation. Therefore, independent claim 314 is not obvious over JP 14557, Winkler, McNerny, or any combination thereof and should be in a condition for allowance.

Independent Claim 317

Independent claim 317 recites, *inter alia*, “further including determining whether bills are suspect and wherein one of a criterion is a bill being a suspect bill.” As discussed above with respect to claim 221, JP 14557 does not teach or suggest such a limitation. Therefore, independent claim 317 is not obvious over JP 14557, Winkler, McNerny, or any combination thereof and should be in a condition for allowance.

Independent Claim 322

Independent claim 322 recites, *inter alia*, “routing bills having any other of the plurality of denominations to a second one of the output receptacles” and “presenting no call bills in a third one of the output receptacles.” As discussed above with respect to claims 221 and 284, JP 14557, Winkler, McNerny or any combination thereof do not teach or suggest “presenting no call bills in a third one of the output receptacles.” Furthermore, JP 14557 does not teach or suggest using three output receptacles, let alone using three output receptacles in the specific manner recited in claim 322.

Therefore, independent claim 322 is not obvious over JP 14557, Winkler, McNerny or any combination thereof and should be in a condition for allowance. Claim 313, which depends directly on claim 312, is not obvious over JP 14557, Winkler, McNerny or any combination thereof or at least the same reasons and should be allowable.

Independent Claim 326

Independent claim 326 recites, *inter alia*, “determining the face orientation of the bills”, “routing bills having a target denomination and a target face orientation to one of the first output receptacles”, “routing bills having the target denomination and a face orientation opposite the target face to a second one of the output receptacles,” and “presenting bills not having the target denomination in a third one of the output receptacles.” As acknowledged in the Office Action, JP 14557 is silent on determining the face orientation of the bill and does not disclose three output receptacles, let alone using three output receptacles in the specific manner recited in claim 326.

Therefore, independent claim 326 is not obvious over JP 14557, Winkler, McNerny, or any combination thereof and should be in a condition for allowance. Claim 327-329, which depend directly on claim 326, are not obvious over JP 14557, Winkler, McNerny, or any combination thereof for at least the same reasons and should be allowable.

Comments on Selected Issues in the Office Action

The Applicants also will not be addressing the other references mentioned at pages 11-12 since these references have not been applied in the Office Action. The Applicants, however, note that none of these references anticipates or renders obvious the pending claims.

Conclusion

Applicant respectfully requests that a timely Notice of Allowance be issued in this case. It is believed that no fee is presently due; however, should any additional fees be required (except for payment of the issue fee), the Commissioner is authorized to deduct the fees from Jenkins & Gilchrist, P.C. Deposit Account No. 10-0447, Order No. 47171-00269.

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Respectfully submitted,

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